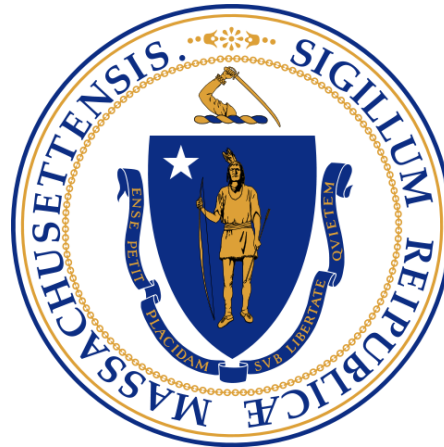


# Operational Services Division

The Executive Office for Administration and Finance  
Commonwealth of Massachusetts



Performance Report  
Fiscal Year 2014

Gary J. Lambert  
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Operational Services

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### OSD MISSION

The mission of the Operational Services Division is to help our government and business customers succeed in meeting their goals by providing outstanding customer service, competent advice and guidance, objectivity in our work and high quality products and services that exceed the expectations of those we serve.

## Introductory Letter

Transformation, transparency, and participation are proof that Performance Management is working at the Operational Services Division (OSD). In 2013, when OSD selected the 4 Disciplines of Execution (4DX) as the framework for implementing an agency-wide Performance Management Program, the overarching goals were to formalize and embed the program, align agency resources with our strategic goals, and drive everyone in the agency toward out-come based targets. To realize these goals, OSD has annually established an agency-wide Wildly Important Goal (WIG) and allowed each unit within the agency to establish its own Team Wildly Important Goal in support of the agency-wide WIG. All teams keep public Team scoreboards, meet weekly to report on progress and make commitments toward the Team's WIG, and participate in quarterly summits. The summits are formal presentations to evaluate the goals, the progress, and the results.

I expected increased accountability and a growing appreciation and understanding of the value of unified, clearly articulated and documented goals. We achieved that and more. In every unit participation is at the individual level, activity across units has increased and staff is connected to the agency and its mission in a new way. And then there are the results. In FY14, the agency-wide WIG took aim at the agency's web-site which was moribund, outdated and in need of fresh content and energy. Today, the website is continually refreshed with slideshows, social media feeds, blog posts and current, relevant content. The transformation of these webpages has helped us serve our multiple constituencies of businesses, citizens and other government entities and has provided greater transparency into the operations of OSD's programs and services. I invite you to take a look at [www.mass.gov/osd](http://www.mass.gov/osd).

A second transformation occurred at OSD in FY14. In March of 2014, OSD launched the COMMBUYS Market Center replacing a limited use electronic purchasing system with new technology offering the latest in procurement tools that save time, money and resources for the Commonwealth's Executive branch departments and other governmental bodies including cities, towns and municipal entities. COMMBUYS is not just for public purchasing entities, that is why we chose the tagline: Connecting Business with Government.

As an organization affiliated with the Executive Office for Administration and Finance (A&F), the Operational Services Division's goals reflect and bolster the commitments of A&F to bring about Better Finance, Better Health Care, Better Performance and Better Government.

This report was developed pursuant to Executive Order 540, Governor Patrick's directive to embed strategic planning and performance management across state government. The Operational Services Division's FY14 Performance Report describes progress achieved against the goals set out in its 2013-2015 Strategic Plan.

Please send feedback  
regarding this report to:

[Gary.Lambert@massmail.state.ma.us](mailto:Gary.Lambert@massmail.state.ma.us)

## Introductory Letter (cont.)

In the first six months of operation, commerce in the COMMBUYS Market Center is robust: 1,500 bids were posted; 3,500 orders were issued; items available for purchase using catalogues exceeded 270,000; vendors registered exceeded 7,400; and the OSD webcasts to train vendors on how to use the system received more than 6,600 hits.

The COMMBUYS Market Center is being implemented in three Phases. Our March 2014 launch covered Phase I and delivered new procurement and purchasing tools including contract management, on-line contract evaluation tools, automated contract creation and catalogue ordering. Phase II will link COMMBUYS to the state's accounting system, MMARS, allowing automation from the requisition of goods and services by departments through payment to the vendors for those goods and services. In Phase III, COMMBUYS will offer advanced reporting and analytics achieving greater transparency in state purchasing and providing data that will support decision making, optimize buying power and drive savings for public purchasers.

Like its predecessor, Comm-PASS, the COMMBUYS Market Center is a public website that allows citizens, businesses and government entities to view Commonwealth contracts and participate in bidding opportunities. Access is free. Visit the latest in procurement innovation at [www.COMMBUYS.com](http://www.COMMBUYS.com).

Gary J. Lambert  
Assistant Secretary for Operational Services

## OSD UNITS

- Strategic Sourcing Services (SSS)
- COMMBUYS Operations
- COMMBUYS Project
- Training, Events and Outreach
- Supplier Diversity Office (SDO)
- Office of Vehicle Management
- Office of Audit and Quality Assurance
- State and Federal Surplus Property Program Office
- Commonwealth Print Services
- Legal, Policy and Compliance Office
- Human Resources and Administration (HRA)

The Operational Services Division implemented the 4 Disciplines of Execution (4DX) as the OSD Performance Management Program in 2013. Using the 4DX model, OSD sets an annual agency-wide performance management objective. The annual objective is for the fiscal year and in each fiscal year the annual objective is the OSD “Wildly Important Goal” (WIG).

### **THE OSD FY13 WILDLY IMPORTANT GOAL – UPDATE**

For FY13, the OSD agency-wide Wildly Important Goal was to: *Increase the utilization of statewide contracts from \$978,546,000 to \$1,272,650,000 by June 30, 2013.* The FY13 target represented a 30% increase in statewide contract utilization in that fiscal year. At the close of FY13, utilization had increased by 8% to \$998,546,600. At the close of FY14, statewide contract utilization had increased to \$1,118,420,000. This is a key metric for OSD which the agency continues to track.

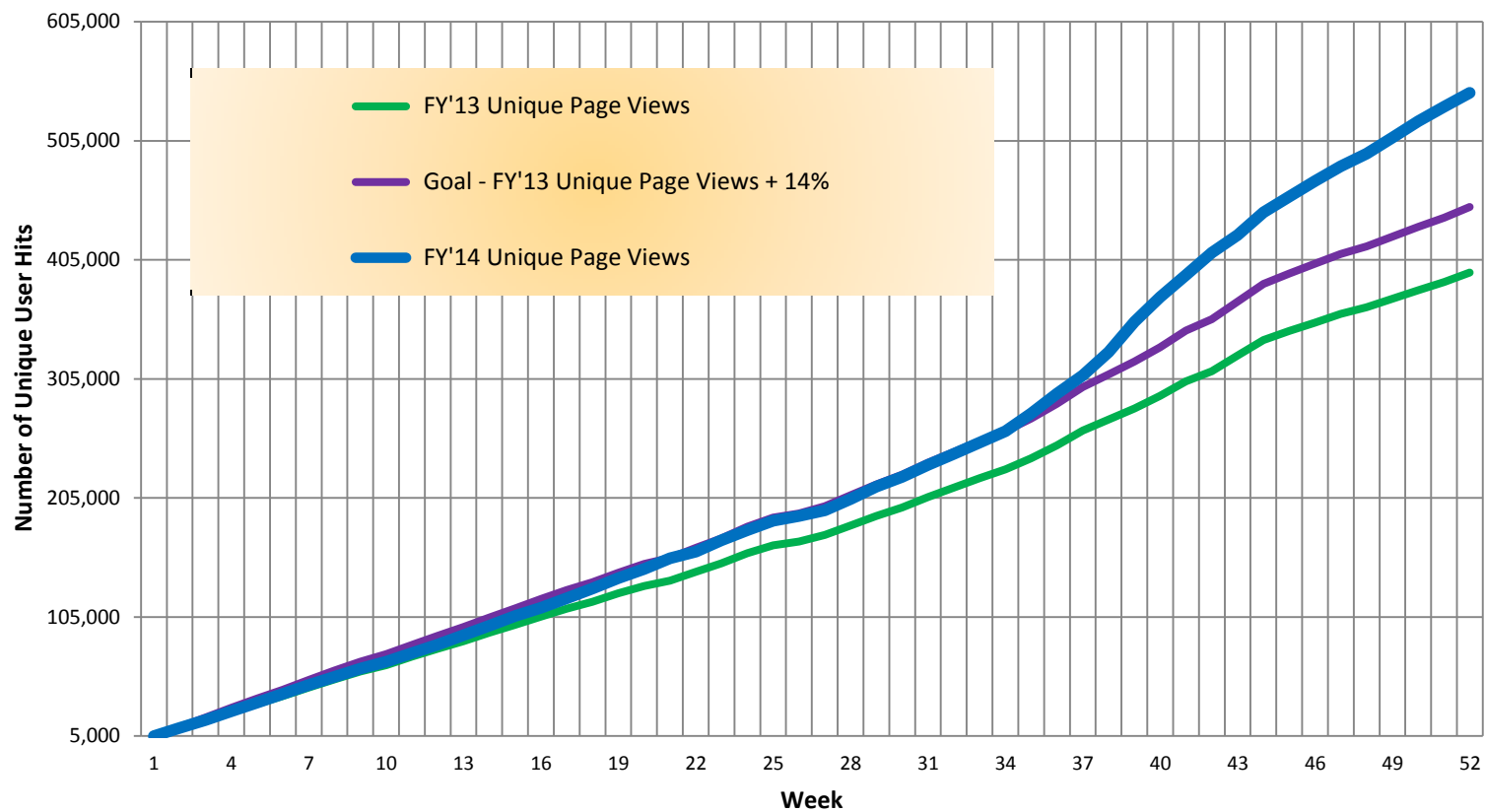
### **THE OSD FY14 WILDLY IMPORTANT GOAL - UPDATE**

For FY14, the OSD agency-wide Wildly Important Goal was to: *Increase the number of unique page views on the OSD website from 390,000 to 445,000 by June 30, 2014.*

The FY14 WIG envisioned an increase in OSD website activity of 14%. By June 30, 2014, web activity had increased by 39%. The OSD Team-based Wildly-Important Goals for FY14 are described in the Performance Dashboard at the end of this Report. All teams achieved their FY14 goals, except one. That team experienced a significant reduction in staff resources during FY14.




OSD made two key performance management adjustments in FY14. The agency added quarterly team summits to review progress, goals and results and stressed the importance of the link and impact between lag measures (the WIGs) and lead measures (sub-goals). The graph below depicts the 52 week performance of the agency in meeting and exceeding its goal in FY14.

**OSD FY'14 WIG - Increase the Amount of Unique Page Views on the OSD Websites from 390,000 to 445,000 by June 30, 2014.**












## Increase the utilization of Statewide Contracts

Measures	Prior Period	Previous Period	Current Period	Trend	Target	Status	Comments
Statewide Contract utilization	\$978,500,000	\$998,546,400	\$1,118,420,000	Improving	\$1,272,650,000	⚠	The FY13 agency-wide Wildly Important Goal (WIG) was to increase the utilization of Statewide Contracts by 30%. That goal was measured by the two measures listed here: the amount of Statewide Contract utilization dollars and the administrative fees collected by OSD. Data compares FY12, FY13 and FY14. OSD continues to track both measures.
Administrative fee collections	\$9,945,757	\$9,985,464	\$11,184,200	Improving	\$12,929,484	⚠	The administrative fee is an amount paid by vendors as a percentage of the business obtained by the vendor on a Statewide Contract. Data compares FY12, FY13 and FY14.

STATUS LEGEND		=> Target		=> 75% to <99%		< 75% of Target	NA	Not Applicable
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## Increase the number of views on the OSD website




Measures	Prior Period	Previous Period	Current Period	Trend	Target	Status	Comments
Increase the number of unique page views on the OSD Website from 390,000 to 445,000 by June 30, 2014	NA	390,000	542,985	Improving	445,000		This goal is the agency-wide Wildly Important Goal (WIG) for FY14. Each of the goals below is the FY14 goal of an OSD team. Team goals, also called team WIGs, are the equivalent of sub-goals for the agency WIG. The agency WIG and Team WIGs are in place for the fiscal year (July1 through June 30) and conclude at the end of the fiscal year. The FY14 Agency WIG and all Team WIGs, with the exception of one, concluded on or before June 30, 2014. The data compares FY13 to FY14. The target was a 14% increase (14% in 2014). OSD exceeded this goal. In FY14, unique page views were 39% greater than FY13. OSD continues to track this measure.
Increase the number of unique page views on the OSD Management Information System (MIS) Intranet website to 8,100 by June 30, 2014	NA	1,770	9,149	Completed	8,100		New activity in FY14, completed June 30, 2014
Publish 12 user-friendly, content rich web pages on the OSD web site related to OSD's Office of Audit and Quality Assurance (AQA) by May 31, 2014	NA	12	13	Completed	12		New activity in FY14, completed May 31, 2014
Increase the number of Commonwealth Print Shop (CPS) orders placed through web-based services from 329 to 429 by June 30, 2014	NA	329	431	Completed	429		New activity in FY14, completed June 30, 2014
Increase the number of referrals to the OSD COMMBUYS web pages from 0 to 2,000 by June 30, 2014	NA	0	2,507	Completed	2,000		New activity in FY14, completed June 30, 2014
Increase the number of unique page views on the OSD Office of Vehicle Management (OVM) web pages on the OSD web site from 11,808 to 12,398 by May 31, 2014	NA	11,808	10,973	Completed	12,389		New activity in FY14 for just 17 weeks. Activity will resume through December 31, 2014 with a baseline of web hits from July 1, 2014 through December 31, 2014

STATUS LEGEND		=> Target		=> 75% to <99%		< 75% of Target	NA	Not Applicable
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## Increase the number of views on the OSD website

Measures	Prior Period	Previous Period	Current Period	Trend	Target	Status	Comments
Increase the number of Training, Outreach and Marketing (TOM) website marketing communications from 127 to 480 by May 31, 2014	NA	127	490	Completed	480		New activity in FY14, completed May 31, 2014.
Increase the number of Training, Outreach and Marketing (TOM) website marketing communications from 127 to 480 by May 31, 2015	NA	127	490	Completed	480		New activity in FY14, completed May 31, 2014.
Increase the number of unique page views on the OSD Strategic Sourcing Services (SSS) web pages on the OSD web site from 46,500 to 53,000 by June 30, 2014	NA	45,500	63,130	Completed	53,000		New activity in FY14, completed June 30, 2014.
Increase the number of unique page views on the OSD Legal, Policy and Compliance (LPC) web pages on the OSD web site from 38,390 to 60,000 by June 30, 2014	NA	38,390	62,125	Completed	60,000		New activity in FY14, completed June 30, 2014.
Reduce the number of telephone calls to OSD's Supplier Diversity Office (SDO) from 12,630 to 6,315 by June 30, 2014	NA	12,630	6,315	Completed	6,315		New activity in FY14, completed June 30, 2014.
Increase the number of unique page views on the OSD Human Resources Administration (HRA) intranet website from 0 to 6,000 by June 30, 2014	NA	0	5,953	Completed	6,000		New activity in FY14, completed June 30, 2014.

STATUS LEGEND		=> Target		=> 75% to <99%		< 75% of Target	NA	Not Applicable
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## LOOKING FORWARD – THE OSD FY15 WILDLY IMPORTANT GOAL

For the current fiscal year, FY15, the OSD agency-wide Wildly Important Goal is to: *Increase Productivity through OSD Systems and Processes by 10% by June 30, 2015.*

The FY15 WIG is supported by ten Team Wigs. Although the agency-wide WIG is determined by agency leaders, Team WIGS are determined and implemented by OSD units with guidance and support from leadership. Each team has a unique approach to the FY15 agency-wide productivity WIG based on the functions and responsibilities of the unit and the areas that each deems is important for its success. The FY15 Team WIGS are summarized in the chart on this page.

As part of the 4DX program each team participated in a quarterly summit in October, 2014 to report on the progress of the team's efforts in achieving the FY15 team WIG. The team summits are an opportunity to review the activities undertaken by team members to accomplish the team goal, assess the results and make adjustments to the team wig or lead measures if needed. Team summits will occur in January of 2015 and April of 2015.

Team/OSD Unit	FY15 Wildly Important Team Goal
Audit and Quality Assurance	Increase unit work product from 878 to 1027 by June 30, 2015. Members are focusing on increased output in the areas of Purchase of Service Reviews, Quality Assurance Reviews, Administrative Fee reconciliations and Field Audits.
COMMBUYS	Decrease the amount of response time for Help Desk calls from 8.5 minutes to 7.25 minutes by June 30, 2015.
Commonwealth Print Shop	Increase the number of print impressions from 10,288,919 to 11,317,810 by June 30, 2015.
Human Resources and Administration	Increase available work hours at OSD from 152,967 to 168,263 by June 30, 2015.
Legal, Policy and Compliance	Increase the readership of OSD policy documents from 90 unique page views per page of content to 115 unique page views per page of content.
MIS	Decrease the ratio of administrative hours to client service hours from 32% to 24% by June 15, 2015.
Office of Vehicle Management	Increase unique page views on OVM webpages from 15,013 to 16,514 by December 31, 2014.
Strategic Sourcing Services	Increase Statewide Contract utilization (as measured in contract dollar amounts recorded in the state financial system, MMARS) per hour of effort from \$73,325 to \$77,944 by June 30, 2015.
Supplier Diversity Office	Increase the number of certification actions from 3,531 to 4,060 by June 30, 2015.
Training, Events, and Outreach	Increase the number of participants in TEO sponsored trainings and events from 14,576 to 20,410 by June 30, 2015.

### CHALLENGES IN FY15

In the current fiscal year, FY15, OSD's challenges are to:

- Deliver Phase II and Phase III of the COMMBUYS Market Center before June 30, 2015 under or on budget;
- Meet new demands for customer service via the OSD/COMMBUYS Helpdesk;
- Expand communications, training and outreach in response to the advancements in the procurement and purchasing technology, integration with the financial system, and the increase in the number of users of COMMBUYS;
- Expand the use of Statewide Contracts by cities, towns and municipalities; and
- Develop an FY16 WIG that builds on our vision of performance management and achieves the level of staff involvement and adoption that has been the hallmark of our success.

# Measure Descriptions

GOAL	MEASURE	DESCRIPTION
<b>Increase the utilization of Statewide Contracts</b>	Statewide Contract utilization	This measure tracks the total spending amount through Statewide Contracts by executive and non-executive government and eligible entities.
	Administrative fee collections	This measure tracks the amount paid as an administrative fee by Statewide Contract Vendors as a percentage of the business obtained by the vendor. The administrative fee is 1% of total business obtained.
<b>Increase the number of views on the OSD website</b>	Increase the number of unique page views on the OSD Website from 390,000 to 445,000 by June 30, 2014	This measure tracks unique page views on the OSD website. A unique page view is the first hit/click on an OSD-owned webpage. The unique page view is counted once for each page a user visits in a session.
	Increase the number of unique page views on the OSD Management Information System (MIS) Intranet website to 8,100 by June 30, 2014	This measure tracks unique page views on the OSD Management Information Services intranet website.
	Publish 12 user-friendly, content rich web pages on the OSD web site related to OSD's Office of Audit and Quality Assurance (AQA) by May 31, 2014	This measure tracks new web pages published by OSD's Office of Quality Assurance.
	Increase the number of Commonwealth Print Shop (CPS) orders placed through web-based services from 329 to 429 by June 30, 2014	This measure tracks the number of new web-based orders placed with the Commonwealth Print Shop.
	Increase the number of referrals to the OSD COMMBUYS web pages from 0 to 2,000 by June 30, 2014	This measure tracks referral to COMMBUYS pages on the OSD web site. COMMBUYS is the Commonwealth's state-of-the-art electronic Market Center supporting online commerce between government purchasers and business. COMMBUYS went live on March 24, 2014.
	Increase the number of unique page views on the OSD Office of Vehicle Management (OVM) web pages on the OSD web site from 11,808 to 12,398 by May 31, 2014	This measure tracks unique page views on OSD's Office of Vehicle Management web pages.
	Increase the number of Training, Outreach and Marketing (TOM) website marketing communications from 127 to 480 by May 31, 2014	This measure tracks the number of communications produced by the Training, Outreach and Marketing (TOM) team on the TOM web pages on the OSD web site.
	Increase the number of unique page views on the OSD Strategic Sourcing Services (SSS) web pages on the OSD web site from 46,500 to 53,000 by June 30, 2014	This measure tracks the number of unique page views on OSD's Strategic Sourcing Services web pages.
	Increase the number of unique page views on the OSD Legal, Policy and Compliance (LPC) web pages on the OSD web site from 38,390 to 60,000 by June 30, 2014	This measure tracks the number of unique page views on OSD's Legal, Policy and Compliance web pages.
	Reduce the number of telephone calls to OSD's Supplier Diversity Office (SDO) from 12,630 to 6,315 by June 30, 2014	This measure tracks the number of telephone calls received by OSD's Supplier Diversity Office.
	Increase the number of unique page views on the OSD Human Resources Administration (HRA) intranet website from 0 to 6,000 by June 30, 2014	This measure tracks unique page views on the OSD Human Resources Administration intranet website.

## Noteworthy Changes, Additions or Deletions

With the annual adoption of a new Wildly Important Goal (WIG) , specific measures related to the FY13 WIG (Increasing the utilization of statewide contracts) have been removed and replaced with the specific measures relating to the FY14 WIG (Increasing the number of unique page views on the OSD website).